



**COMMUNITY DEVELOPMENT COMMISSION  
of the County of Los Angeles**

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*Commissioners*

**Carlos Jackson**  
*Executive Director*

June 26, 2007

The Honorable Board of Commissioners  
Community Development Commission of the  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**RECOMMENDATION TO APPROVE A REQUEST FOR PROPOSAL PROCESS FOR  
THE HOMELESS AND HOUSING PROGRAM FUND CITY AND COMMUNITY  
PROGRAMS AND REVOLVING LOAN FUND PROGRAM  
(ALL AFFECTED) (3 Vote)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the approval of the Request for Proposal process for the Homeless and Housing Program Funds (HHPF Programs) for the City/Community Program (CCP) and for the Revolving Loan Fund (RLF) Program are not subject to the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.
2. Authorize the Executive Director to execute all required documents necessary to accept the transfer of up to \$52,550,000 in County General Funds (CGF) to the Community Development Commission ("Commission") for HHPF Program activities for the CCP and RLF and for related community collaboration activities, after approval as to form by County Counsel.
3. Authorize the Commission, upon transfer of funds from the Chief Administrative Officer (CAO), to incorporate up to \$52,550,000 in CGF as needed to the Commission's approved budget for the implementation of the HHPF Programs for the CCP and RLF.
4. Approve the Request for Proposal (RFP) processes for the CCP and the RLF Program.



5. Authorize the Executive Director of the Commission to execute and modify all required documents to implement the RFPs for the CCP and the RLF, following approval as to form by County Counsel.
6. Authorize the Commission to release the RFPs for the CCP and for the RLF and return to the Board of Commissioners with the recommendations for awards.

**PURPOSE /JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of these actions is to approve the proposed RFP process for the CCP and the RLF, authorize the Commission to release the RFPs for the CCP and for the RLF, and authorize the Commission to accept CGF for the implementation of the HHPF Programs for the CCP and RLF.

**FISCAL IMPACT/FINANCING:**

On April 4, 2006, your Board approved the Homeless Prevention Initiative (HPI), which allocated funding to address the critical shortage of permanent housing, shelter beds, and supportive services in Los Angeles County (County). Included in the HPI allocation was \$80,000,000 for HHPF Programs, which includes the CCP and RLF. The approved HHPF Programs spending plan (vetted over the course of multiple Countywide community meetings with stakeholders) allocated funds that have been divided into two parts which are to be distributed Countywide through competitive RFP processes. Based on the approved spending plan, \$32,000,000 will be available for the CCP RFP to provide funds for capital and services (\$20.4 million for Locally Defined Programs and \$11.6 million for Capital Development) and \$20,000,000 for the RLF RFP for predevelopment costs to assist developers of low cost housing that target income ranges to include homeless or at-risk individuals and households. The remaining \$550,000 will be used for related community collaboration efforts.

The RFP processes described herein will be issued for these funding categories.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On April 4, 2006, your Board approved an allocation in one-time funding to support new and existing programs that have proven successful in addressing the homeless crisis. The RFPs described below will enhance the capacity of various community health and human service systems and affordable housing developers to better serve people who are homeless or at risk of becoming homeless.

The CCP RFP closely follows the City of Industry Program's method for selecting applicants as requested by your Board. The CCP and RLF RFPs will use an objective scoring system, as expert technical reviewers will score the applications and a panel of independent reviewers will confirm or modify the scores and make recommendations for funding. Proposers' conferences will be scheduled for prospective applicants to ensure that requirements are presented in a uniform and fair manner.

Your Board directed the Chief Administrative Office (CAO) to work with a team of County departments and the Commission to engage homeless advocates, service providers and other public agencies in developing a HHPF spending plan, which was subsequently approved on September 26, 2006. The RFP processes for the CCP Program and for the RLF Program were developed with direction from information gathered at community meetings conducted in 2006 and in collaboration with a team of participating County departments/agencies, which included the CAO, Sheriff's Department, Probation Department, County Commission on HIV, the Los Angeles Homeless Services Authority, and the Departments of Health Services, Public Social Services, Mental Health, Children and Family Services, and Public Health.

The County's *Performance Counts!* reporting format, for measuring performance and results of services delivered by the County, will be required for all proposals awarded through the CCP RFP. The CAO will provide technical assistance to prospective applicants to familiarize them with information collection standards and methods required in terms of indicators and operational measures. The Commission will include these requirements in the contracts/agreements with the agencies selected to receive funds, collect information from these agencies, and provide the information to the CAO for further evaluation and analysis.

Descriptions of the proposed RFP processes are provided in Attachments A and B. A related letter is being concurrently submitted to the Board of Supervisors of the County of Los Angeles for its consideration on June 26, 2007.

#### **ENVIRONMENTAL DOCUMENTATION:**

Approval of the RFP process for the CCP and RLF are exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378(b) because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

Honorable Board of Commissioners  
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**IMPACT ON CURRENT PROGRAM:**

Funding under the CCP and RLF RFP processes will increase the availability of affordable housing and supportive services, and add resources to the critical regional need for housing and services for extremely low-income persons and households who are homeless or at risk of homelessness in the County.

Respectfully submitted,

  
for CARLOS JACKSON  
Executive Director

Attachments: 2

**ATTACHMENT A**  
**HOMELESS AND HOUSING PROGRAM FUND'S**  
**CITY AND COMMUNITY PROGRAMS**  
**PROPOSED REQUEST FOR PROPOSALS**

The Homeless and Housing Program Fund's City and Community Programs (CCP) portion of the funds will be awarded to agencies in Los Angeles County (County) through competitive bids under a Request For Proposal (RFP). Each proposal must comply with the basic eligibility requirements and a complete application must be submitted. The RFP will be released and administered through the Commission. CCP funding is available for Capital Development and Services Only programs, and Department of Mental Health funds will provide funds for mental health services and operating subsidies.

A public notice will announce the RFP release date, written notifications will be sent to vendors who have registered with the County/Commission, and advertisements will be placed in local newspapers and County websites, in the same manner used for the County's City of Industry program.

Upon release of the RFP, all prospective applicants must attend at least one of five mandatory proposers' conferences to be held in five (5) locations in the County. These conferences will offer opportunities for questions concerning the RFP and the impact to specific projects. This will be the only opportunity to obtain clarification, there will be no other question and answer sessions after the proposers' conferences are completed. These proposers' conferences will also permit the County to effectively plan for the types of applications that are anticipated and to answer questions accurately and consistently for all interested parties.

Within seven (7) days of the final proposers' conference, any participant who intends to submit a proposal under the RFP must provide the Commission with a mandatory Letter of Intent to apply. Applicants must then submit their applications to the Commission by 3:00 p.m. of the final submission date, which will be provided in the RFP.

The Commission reserves the right to issue any necessary addenda to the RFP to ensure an efficient and effective selection process

Proposal Evaluation Process

Proposal evaluation will consist of three tiers of review: Threshold Review, Technical Review and an Independent Review Panel. Commission staff will not participate in the reviews. Threshold and Technical Reviews will be conducted by selected consultants, staff of County departments represented on the Special Needs Housing Alliance, and staff from the County Department of Mental Health.

Independent Review Panel will be composed of individuals with expertise in real estate, affordable housing lending/underwriting practices, housing development, and supportive

services, as well as those in the fields of health, mental health, substance use, and other related disciplines. Participants in the Threshold and Technical Reviews may not serve on this Panel, in order to avoid any conflict of interest.

#### First Tier - Threshold Review:

All proposals will be reviewed to ascertain that they include specific mandatory items that determine minimum eligibility.

Proposals that do not contain all the required items will not be reviewed any further. If required items are not in the application, it will be considered no longer viable and the review of that proposal will end.

Upon completion of all reviews, applicants whose proposals do not meet the required criteria will be notified that they will not continue to the next tier.

Threshold Review decisions may not be appealed.

Proposals meeting all requirements in the Threshold Review will move to the Technical Review.

#### Second Tier - Technical Review:

Reviewers will make a detailed analysis of each Proposal.

Each proposal will receive a Technical Review score.

Recommendations from the Technical Review will be forwarded to the Independent Review Panel.

Proposers will be notified of their scores.

Proposers will have the opportunity to appeal based on criteria set forth in the RFP.

#### Third Tier - Independent Review Panel:

The Panel will hear all appeals of Technical Review scores.

Revised scores will be issued upon completion of the appeals, as applicable.

Appellants will be notified of the results of their appeals.

Technical Review recommendations will be reviewed, after all appeals have been considered.

The Panel will make funding award recommendations to the Commission.

After completion of the three tiers of review, the Commission will review the recommendations for funding and present them to the Board of Commissioners for final approval.

## **ATTACHMENT B**

### **HOMELESS AND HOUSING PROGRAM FUND'S REVOLVING LOAN FUND PROPOSED REQUEST FOR PROPOSALS**

The Homeless and Housing Program Fund's (HHPF) Revolving Loan Fund (RLF) for predevelopment costs will assist developers of low cost housing that target income ranges to include homeless or at-risk individuals and households. The RLF will be awarded through a competitive bidding process for one or more lenders to administer the Fund. The RLF Request for Proposals (RFP) will be released through the Community Development Commission (Commission).

A public notice will announce the RFP release date, in the same manner used for the County's City of Industry program.

Upon release of the RFP, all prospective applicants must attend a mandatory proposers' conference to be held at the Commission offices. This conference will provide an opportunity for questions concerning the RFP and the RLF program. Should applicants have additional questions, they will be given an opportunity to submit written questions which shall be answered within one week of the proposers' conference. All questions and answers will be made public to all applicants who attended the mandatory proposers' conference.

Applicants must then submit their applications to the Commission by 3:00 p.m. of the final submission date, which will be provided in the RFP. The Commission reserves the right to issue any necessary addenda to the RFP to ensure an efficient and effective selection process.

The following three-tier process will be utilized to select a lender(s):

#### First Tier - Threshold Review:

All proposals will be reviewed for adherence to minimum requirements outlined in the RFP.

Applicants will be notified of their threshold review results within 7 calendar days of submittal.

Proposals that do not pass the threshold review will be disqualified from consideration and may not be appealed.

Second Tier - Technical Review:

Proposals that pass threshold review will proceed to a technical scoring review conducted by third-party consultants.

Applicants will be notified of their scores by certified mail.

Applicants may appeal their scores in writing and must specify grounds for appeal.

Third Tier - Independent Review Panel:

The Panel will hear all appeals of Technical Review scores.

Revised scores will be issued upon completion of the appeals, as applicable.

Appellants will be notified of the results of their appeals.

Technical Review recommendations will be reviewed, after all appeals have been considered.

The Panel will make funding award recommendations to the Commission.

After completion of the three tiers of review, the Commission will review the recommendations for selection and present them to the Board of Supervisors for approval. The Executive Director will also seek Board authorization for the Commission to enter into an Agreement to Negotiate Exclusively with the selected lender(s) for administration of the RLF.